Run on branches of Indian Banks in Singapore

862. SHRI SANTOSH BAGRODIA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that there is a run on the branches of Indian Banks in Singapore; and

(b) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) Reserve Bank of India have reported that there was no run on Indian banks operating in Singapore.

(b) Does not arise.

IFC investment in India

863. SHRI MENTAY PADMANABHAM: Will the Minister of FINANCE be pleased to state:

(a) whether Government's attention has been drawn to newsitem appearing in Times of India (Business Section) dated 7th February, 1992 captioned "IFC targets four sectors for investing in India";

(b) if so, whether there is any monitoring mechanism to oversee the activities of IFC in India;

(c) what has been the total investment of IFC in India in the last five years respective; and

(d) whether IFC consults Government before investing in specific firms and companies in India?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) Yes, Sir.

(b) Department of Economic Affairs oversee the activities of International Finance Corporation in India.

(c) The IFC's investment in India during the last five years is as under:—

Fiscal Year (ending June)	Amount in million
1987	98 65
1988	7·75
1989	125 22
1990	147·11
1991	209·97

(d) Before any investment is made in Indian companies, IFC seeks the formal approval of Government of India.

R.B.I. guidelines on Peerless Insurance Company

864. DR. NARREDDY THULASI REDDY: Will the Minister of FINANCE be pleased to state:

(a) what are the conditions laid down by R.B.I. on Peerless Insurance Company;

(b) whether these conditions are being followed by the Company; and

(c) if not, what are the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The deposit-acceptance activities of Peerless General Finance and Investment Company Ltd. are regulated under the Residuary Non-Banking Companies (Reserve Bank) Directions, 1987 issued by Reserve Bank of India.

(b) and (c) The above directions were challenged in courts of law by a few Residuary Non-Banking Companies including Peerless. In a recent judgement, the Supreme Court have rejected their writ petitions and upheld the validity of the Reserve Bank of India directions. Reserve Bank of India are taking suitable steps for compliance of the directions by the Residuary Non-Banking Companies.